

District 3

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Troy, MO
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District Director
Tom Balsler
Shelby County



District 3 News

Crop Disaster Program

The Crop Disaster Program (CDP) signup is currently underway at your local county office to provide benefits to farmers who suffered quantity and quality losses to 2005, 2006 or 2007 crops. Losses from natural disasters may qualify for financial assistance if the crop was planted before February 28, 2007, or in the case of prevented plantings, for crops that would have been planted before February 28, 2007. Spring planted 2007 crops are not eligible for the program.

Producers who incurred qualifying losses in 2005, 2006 or 2007 will receive benefits for only one year per farm's administrative county. Participants may apply for loss benefits on multiple commodities as long as the losses occurred in the same crop year. A payment limitation of \$80,000 per person applies.

Only producers who obtained crop insurance coverage or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits. Producers must have suffered quantity losses in excess of 35 percent to be eligible for CDP. Contact your local Farm Service Agency office for additional information.

Livestock Programs

The new Livestock Compensation Program (LCP) and Livestock Indemnity Program (LIP) signups are currently underway. Eligible livestock producers can apply to receive LCP compensation for feed losses or LIP for livestock losses occurring between January 1, 2005, and February 28, 2007 due to a natural disaster.

The LCP program provides monetary assistance for livestock feed losses that occurred because of an adverse weather condition, including drought. Producers will be paid the lesser of the total value of pasture or a flat payment rate per head. Eligible livestock include adult beef cattle, non-adult beef cattle, dairy cattle, sheep, goats, etc. Adult beef cattle are cows that have had at least one calf and bulls 2 years of age. Non-adult beef cattle must weigh at least 500 pounds by January 1 of the designated year.

The LIP program provides monetary assistance for livestock deaths that occurred because of an adverse weather condition, except drought. The livestock death must have occurred between January 1, 2005 and February 28, 2007

For more information contact your local county FSA office.

Payments

Final 2007 Direct and Counter Cyclical Payments (DCP) were issued the second week of October.

2007 Conservation Reserve Program (CRP) payments were issued the first week of October.

Producers should contact their local FSA Office if they were to receive one of these payments and have not.

Required Mid-Contract CRP Management Practices

If you enrolled land in CRP with the 26th signup (contracts that became effective October 1, 2003) or after, certain contracts are required to complete a series of mid-contract management practices on the acreage. These practices include: strip disking, prescribed burning or chemical applications. These management practices are mandatory and there are no waivers or options to avoid the requirement to complete them.

There is a certain time period during each year that the management practice must be performed depending on the established cover. These practices were contained in your conservation plan of operation that you completed with NRCS at the time your acreage was enrolled in CRP. Cost-share is available for all three practices and you must report completion of the practice to your FSA office. If you have any questions concerning these management practices contact your local NRCS or FSA office. Penalties for non-compliance can be expensive.

Waiting on a Farm Bill

Authority to hold an annual signup for the Direct and Counter-Cyclical Program (DCP) expired with the old farm bill on September 30, 2007. At this time we have not received information on the passage of a new farm bill. Watch this newsletter for additional information.

Wheat, Barley, Oats & CRP Acreage Reports

County offices are taking crop reports with planting dates on wheat, barley, oats and CRP acres. This is a good time to complete the annual acreage report required by CRP contracts. Deadline to report small grain is June 30, 2008.

Conservation Reserve Enhancement Program (CREP)

The Conservation Reserve Enhancement Program (CREP) is a joint Federal-State land retirement conservation program targeted to address local, state and nationally significant agriculture-related environmental concerns. The counties in our district eligible for CREP are Audrain, Knox, Macon, Marion, Monroe, Ralls and Shelby.

Under the CREP agreement, landowners may enroll eligible land into the program for 14-15 years. The land must be removed from agricultural production and established to an approved vegetative cover as recommended by FSA and the Natural Resource Conservation Service (NRCS). In return, landowners receive the annual rental payments, plus cost-share assistance for up to 50 percent of the county average cost to establish the approved cover. In addition, state-funded incentive payments are available.

For land to be eligible, it must have been owned or operated for at least one year prior to enrollment and must be physically and legally capable of being cropped. Although the program normally targets land with cropping history, pasture land adjacent to streams, ponds or other water source may be eligible.

Signup for this program ends December 31, 2007. For more information contact the USDA Service Center.

Foreign Landowner Notification

Foreign investors who buy, sell or hold a direct or indirect interest in U.S. agricultural land must report their holdings and transactions to the Secretary of Agriculture. Failure to timely file an accurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land.

County Committee Elections

Election ballots will be mailed from Kansas City to eligible voters for this year's County Committee elections beginning November 2nd. Voters will have until December 3rd to return their ballots to the county office. Please complete the ballot per the instructions. *Ballots without signatures are invalid.* We encourage any producer, including women and minorities to vote and elect the committee member that will represent you. The FSA County Committee serves as the governing body for FSA programs.

To be eligible to vote in this year's election the following criteria has to be met:

- The voter is of legal voting age and participates or cooperates in any FSA program or,
- The voter is not of legal voting age but supervises and conducts the farming operation on an entire farm
- The voter must also be eligible to participate in any FSA program provided by law, regardless of funding status
- The voter must be an eligible voter in the Local Administrative Area

If you have questions about your voter eligibility contact your local office staff.

Farm Storage Facility Loans

Do you need more storage capability for your farming operation? Check with your local FSA office to discuss the possibility of a Farm Storage Facility Loan (FSFL). Low cost loans for storage facilities continue to be available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, corn, grain sorghum and soybeans.

The seven-year FSFL's are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities.

All FSFL's are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. A minimum down payment is also required. A \$45.00 application fee is assessed and other fees are incurred depending on the type of loan being processed.

Commodity Loans Available

Producers are reminded of the Marketing Assistance Loans (MAL) program. Grain loans are a great tool to use for operating expenses.

To be eligible for commodity loans, you must comply with conservation and wetland provisions, beneficial interest requirements, report how you use cropland acreage on the farm and ensure that the commodity meets CCC minimum grade and quality standards.

Keep in mind the following information when requesting a loan:

- Producers must have beneficial interest in the commodity on the date the loan is requested, and they must retain beneficial interest while the loan is outstanding.
- For commodities to be eligible for loans they must have been produced by an eligible producer, be in existence and in a storable condition, and merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.
- You do not have to participate in the Direct and Counter-Cyclical Program (DCP) to be eligible.
- Interest rates for the loans vary monthly and are based on the month of approval.
- The loan term is nine months and there is no penalty for early pay off. A market repayment rate will be used, when available, if less than principal and interest. The market gain associated with the repayment of a CCC loan, whether repaid with cash or a commodity certificate will be reported on an IRS Form 1099G.

Violating provisions of the loan program may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans and LDP's. The most common loan violations are removing or disposing of a commodity being used as collateral without prior authorization.



Visit our Web site <http://www.fsa.usda.gov>

Farm Ownership and Operation Changes

Producers are required to notify the office of any changes in their farming operation. The following are examples of the types of changes producers should report:

- *Farm ownership changes (this includes transferring your land into a trust)*
- *Changes in entity structure*
- *Changes in entity members*
- *Operator changes*
- *Changes in land use*

Failure to disclose this information could result in loss of payment benefits.

Special Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meeting or events sponsored by the Farm Service Agency. If you require special accommodations please call the local FSA county office.

| Dates to Remember | |
|--------------------------|--|
| Nov. 2 | 2007 County Committee Election Ballots Mailed |
| Nov. 12 | FSA Offices Closed in Observance of Veterans Day |
| Nov. 24 | Office Closed for Thanksgiving |
| Dec 3 | Last Day to Return County Committee Election Ballots |
| Dec. 25 | Office Closed for Christmas |
| Jan 1 | Office Closed for New Years Day |

November Interest Rates

- Farm Operating Direct – 4.75%
- Farm Ownership Direct – 5.375%
- Beginning Farmer – 4.75%
- Emergency – 3.75%
- Farm Storage Facility Loan – 4.375%
- Commodity Loans – 5.125%